

Exhibit D

Mr. L. W. Pritchett
Mr. Eulie Faircloth
April 16, 1992
Page 2

Benzene	300 ppb
MTBE	7200 ppb

These contaminate concentrations exceed the maximum allowable concentrations for such substances as specified in N.C.A.C. Title 15A 2L .0202. Therefore, they are in violation of the water quality standards for the groundwaters of the State. Please reference the following excerpt from Subchapter 2L which specifies corrective action as follows:

N.C.A.C. Title 15A 2L .0106 Corrective Action

- (a) The goal of actions taken to restore groundwater quality shall be restoration to the level of the standards, or as close thereto as is economically and technologically feasible.
- (b) Any person conducting or controlling an activity which results in the discharge of a waste or hazardous substance or oil to the groundwaters of the state or in proximity thereto, shall take immediate action to terminate and control the discharge, mitigate any hazards resulting from exposure to the pollutants and notify the Department of the discharge.
- (c) Any person conducting or controlling an activity which results in an increase in the concentration of a substance in excess of the groundwater standard:
 - (1) as the result of activities, other than agricultural operations, not permitted by the state, shall assess the cause, significance and extent of the violation; submit a plan for eliminating the source of contamination and for restoration of groundwater quality; and implement the plan in accordance with a Special Order by Consent or a Special Order of the Commission.

It is our understanding that you and/or your firm are responsible for the aforementioned violations. Subsequently, you are considered as the party responsible for eliminating the source of contamination and restoring groundwater quality.

Mr. L. W. Pritchett
Mr. Eulie Faircloth
April 16, 1992
Page 3

You are required to submit a Comprehensive Site Assessment which describes the full vertical and horizontal extent of the contamination. The requirements of this report may be fulfilled if reports are submitted under specifications of the Federal Underground Storage Tank Rules 40 CFR 280.62, 280.63, 280.64 and 280.65. An adequate report must be received by this office on or before June 30, 1992.

A corrective action plan (remedial action plan) should be submitted to this office within sixty (60) days after submitting the comprehensive site assessment report.

It is requested that within fifteen (15) days, you submit a written response describing your plans to achieve compliance. Should you dispute our assessment of responsibility, please include documentation of your position in your response.

Failure to submit the report required or failure to expeditiously eliminate the contaminate source and restore groundwater quality in the affected area may result in the recommendation of enforcement action including: (1) the issuance of a special order against you under the authority of G.S. 143-215.2, (2) a request to the Attorney General to institute an action for injunctive relief, (3) a civil penalty of up to \$10,000 per day in accordance with G.S. 143-215.6 and (4) referral of your site to the Federal Trust Fund Group. Please note that should the Federal Trust Fund take charge of your site, they will seek cost recovery, from responsible parties, for any and all expenses incurred.

Please do not hesitate to contact Waddell Watters or Sherri Knight regarding any questions you may have about this matter.

Sincerely,

Larry D. Coble

Larry D. Coble
Regional Supervisor

LDC/SW/ahl

Enclosure

cc: Office of General Counsel
Incident Management Unit
WSRO Files
County Health Department